

**COLUMBIA GAS OF KENTUCKY, INC.**  
**RESPONSE TO STAFF'S SECOND REQUEST FOR INFORMATION**  
**DATED FEBRUARY 3, 2022**

1. Refer to Columbia Kentucky's response to Staff's First Request for Information, Item 3.

State the cost to Columbia Kentucky for each of the listed features.

**Response:** Columbia primarily utilizes internal resources to develop educational content and marketer engagement as part of other assigned responsibilities, the primary exception would be when technology resources are required or an external consultant is engaged for the customer survey. Columbia is unable to specify an amount spent on each education activity.

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2. Refer to the Direct Testimony of Judy M. Cooper (Cooper Testimony), page 4. Explain why Columbia Kentucky proposed to extend the Small Volume Aggregation Service and Small Volume Gas Transportation Service (CHOICE program) as a pilot program, including whether Columbia Kentucky has evaluated whether a permanent CHOICE program would benefit its customers.

**Response:** The Commission's Order in Case No. 2017-00115 provided a series of actions to be completed before Columbia's next filing for approval of the Choice program extension. Based on the Commission's language in that Order, Columbia requested to extend the Choice program.

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3. Refer to the Cooper Testimony, page 5. Confirm that Columbia Kentucky proposed to return all CHOICE program participants to the applicable general sales rate schedule effective with Columbia Kentucky's April 2022 billing cycle if an order is not issued extending the current March 31, 2022 expiration date. If so, explain how Columbia Kentucky would effectuate this reversion and the effect on the participating customers if the CHOICE program is ultimately extended after April 1, 2022.

**Response:** Columbia did not propose to return all CHOICE program participants to the applicable general sales rate schedule if an Order is not issued extending the current March 31, 2022 expiration date. Rather, that is a result that Columbia would effectuate in order to remain in compliance with the Orders of the Commission that establish the current termination date as March 31, 2022 in Columbia's tariff. In Case No. 2017-00115, the Commission by Order dated March 8, 2017, allowed the tariffs proposed by Columbia to go into effect, subject to future change by the Commission.

If Columbia is caused to return all CHOICE program participants to the applicable general sales rate schedule, Columbia would begin supplying the natural gas commodity

to the customers rather than the customer's previously selected Customer CHOICE provider and the customers would be billed at the applicable Columbia General Service Rate Schedule beginning in April 2022. The Aggregation Agreements with CHOICE marketers would be terminated per the expiration of the Small Volume Aggregation Service tariff.

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4. State whether Columbia Kentucky has refused to certify a Marketer because the Marketer could not meet Columbia Kentucky's requirements.

**Response:** There is no record of Columbia Kentucky refusing to certify a Marketer because the Marketer could not meet our credit or program requirements.

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5. Provide the savings, calculated as the amount paid by customers compared to the amount the customers would have paid if they had not elected to be supplied by a marketer, which CHOICE program participants have achieved each year for the past five years. If possible, provide the savings separately for residential and commercial customers.

**Response:**

Year	Customer CHOICE			Customer CHOICE		
	Residential Amount Paid	Residential Amount Paid	Residential Savings	Commercial Amount Paid	Commercial Amount Paid	Commercial Savings
2017	\$17,453,164.96	\$15,165,739.79	-\$2,287,425.17	\$14,586,846.69	\$13,230,100.66	-\$1,356,746.03
2018	\$19,559,007.39	\$16,031,168.23	-\$3,527,839.17	\$17,169,158.00	\$14,736,316.21	-\$2,432,841.79
2019	\$17,310,158.17	\$13,782,400.18	-\$3,527,757.99	\$15,927,674.65	\$13,102,080.48	-\$2,825,594.17
2020	\$15,534,986.12	\$12,515,147.50	-\$3,019,838.62	\$13,108,458.34	\$10,928,873.56	-\$2,179,584.78
2021	\$15,256,003.90	\$13,237,024.10	-\$2,018,979.80	\$13,870,060.91	\$12,516,607.22	-\$1,353,453.69

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6. Confirm that Columbia Kentucky mails annual notices to all customers who participate in the CHOICE program. If confirmed, provide the date of the last annual mailing and provide a sample notice.

**Response:**

The date of the last annual notice was December 29, 2021. Please see 2021-00386 PSC DR Set 2 No. 6 Attachment A for sample notice.

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it safe**



The better you know your home, the easier it is to take proactive steps to keep it safe.


**There are 5 simple ways you can keep your home safe each day:**

1. Install carbon monoxide detectors on every level of your home
2. Don't do it yourself - Hire a qualified professional to install your natural gas lines and appliances
3. Have your natural gas lines and appliances inspected regularly by a qualified professional
4. Know what to do when you smell natural gas
5. Call 811 to have your underground utility lines marked before any type of digging project

**Get to know your home better**

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A smartphone is shown vertically, displaying a notification icon of a blue bell with sound waves. The phone's status bar at the top shows the time as 6:00 PM and various icons for signal, Wi-Fi, and battery. The bottom of the screen shows a text input field with a microphone icon.

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- When you make a payment
- If your account is past due or in danger of shut off

**Sign Up**



## Register now for the Virtual VA5K

Kentucky veterans sacrificed everything to serve our country, and Columbia Gas is committed to honor and support our heroes come high water - or pandemic. That's why we're proud to support the Veterans VA5K, which will go virtual - but no less patriotic - this year.

Register Today



## Customer Choice Program<sup>SM</sup>

Take control of your gas bill by choosing your natural gas supplier. It's your CHOICE. Natural gas prices for participating Customer CHOICE

Program suppliers can be found at

[PSC.KY.Gov/Home/ColumbiaChoice](https://psc.ky.gov/Home/ColumbiaChoice).

Learn About CHOICE



Please do not respond to this email. The content of this message is for your information only. This email was sent on behalf of Columbia Gas of Kentucky. You are receiving it as you have provided this email address to the company. If you would no longer like to receive these messages, you can change your preferences or unsubscribe.

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7. Explain whether Columbia Kentucky knows the contract term and cancellation fee for each CHOICE program participant.

**Response:**

Columbia Kentucky is not privy to the contract term and cancellation fee for each CHOICE program participant.

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8. Explain whether Columbia Kentucky bills any cancellation fees for CHOICE program marketers.

**Response:**

Columbia Gas of Kentucky does not bill any cancellation fees for CHOICE program marketers.

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9. Refer to the CHOICE program survey responses, Table of Contents. Provide the "Executive Summary."

**Response:**

Please refer to KY PSC Case No. 2021-00386 Staff Set 2, No. 9, Attachment A.

# 1.1 Overview and Methodology

Columbia Gas of Kentucky initiated this research study in compliance with the Kentucky Public Service Commission’s request that customer perceptions of the Customer Choice program available through Columbia Gas of Kentucky be assessed.

The objectives of the study were as follows:

- 1) Measure awareness of the Customer Choice program
- 2) Assess the primary reasons for participation in the program
- 3) Understand why customers who are aware of the program choose not to participate
- 4) Quantify the savings that participants perceive they have realized through the program
- 5) Gauge overall satisfaction with the program

The online survey was designed to target both Choice and non-Choice customers, with a representative sample of residential and commercial customers within each group. Email invitations to the online survey were sent to segmented customer lists by Columbia Gas. The lists were identified as Choice and non-Choice customers and within residential and commercial customers.

The online survey design allowed respondents to answer different sets of questions, depending on the respondents’ self-identification as a “Current” or “Non” Choice participant. This self-identification occasionally did not correspond to the customer list. The discrepancies between self-identification and list identity among the respondents are detailed in the table below:

List Type	Total (Base: 293)	Residential Customer Defined		
		Current Choice (Base: 71)	Non-Choice (Base: 180)	Don’t Know (Base: 42)
Current Choice	24.2%	100%	30.0%	95.2%
Not Choice	75.8%	0%	70.0%	4.8%

Among the 167 customers who were identified as Current Choice customers on the Columbia Gas list:

- 24.2% responded that they were currently in the Choice program.
- 3.6% responded that they had previously been in the program, but were no longer participating.



List Type	Total (Base: 46)	Commercial Customer Defined		
		Current Choice (Base: 2)	Non-Choice (Base: 41)	Don't Know (Base: 3)
Current Choice	0%	0%	26.8%	66.6%
Never Choice	100%	100%	73.2%	33.3%

The online survey was launched on March 30<sup>th</sup>, 2021 with reminders/resent invitations going out April 5<sup>th</sup>, April 8<sup>th</sup> and April 14<sup>th</sup>. The survey closed on April 19<sup>th</sup>.

Notes:

*Throughout this report, questions allowing multiple responses are marked with an asterisk (\*). Totals for these questions may add to more than 100%.*

## 1.2 Profile of Respondents

### Residential Customers

*In which county do you live?*

	<b>Total (Base: 293)</b>	<b>Choice (Base: 71)</b>	<b>Non-Choice (Base: 180)</b>	<b>Don't Know (Base: 42)</b>
<b>Fayette</b>	37.9%	26.8%	40.0%	47.6%
<b>Bluegrass (CUME)</b>	27.3%	31.0%	27.8%	19.0%
<b>Franklin</b>	10.9%	9.9%	12.2%	7.1%
<b>Clark</b>	4.1%	2.8%	5.0%	2.4%
<b>Scott</b>	3.8%	7.0%	2.8%	2.4%
<b>Woodford</b>	3.1%	4.2%	2.8%	2.4%
<b>Bourbon</b>	2.0%	2.8%	1.7%	2.4%
<b>Harrison</b>	2.0%	2.8%	2.2%	
<b>Jessamine</b>	0.7%		1.1%	
<b>Estill</b>	0.3%			2.4%
<b>Madison</b>	0.3%	1.4%		
<b>Eastern (CUME)</b>	12.6%	14.1%	12.2%	11.9%
<b>Boyd</b>	5.1%	5.6%	5.6%	2.4%
<b>Greenup</b>	3.1%	7.0%	1.1%	4.8%
<b>Mason</b>	1.7%		2.2%	2.4%
<b>Montgomery</b>	1.7%	1.4%	1.7%	2.4%
<b>Lawrence</b>	0.7%		1.1%	
<b>Floyd</b>	0.3%		0.6%	
<b>Other</b>	6.8%	7.0%	7.2%	4.8%
<b>No answer</b>	15.4%	21.1%	12.8%	16.7%

Each respondent was categorized according to his or her self-identified participation history in the Customer Choice Program:

<b>Program Participation</b>		
	<b>#</b>	<b>%</b>
<b>Total</b>	293	100.0%
<b>Current Choice</b>	71	24.2%
<b>Not Choice</b>	180	61.4%
<b>Don't Know</b>	42	14.3%

### Profile of Residential Respondents, continued

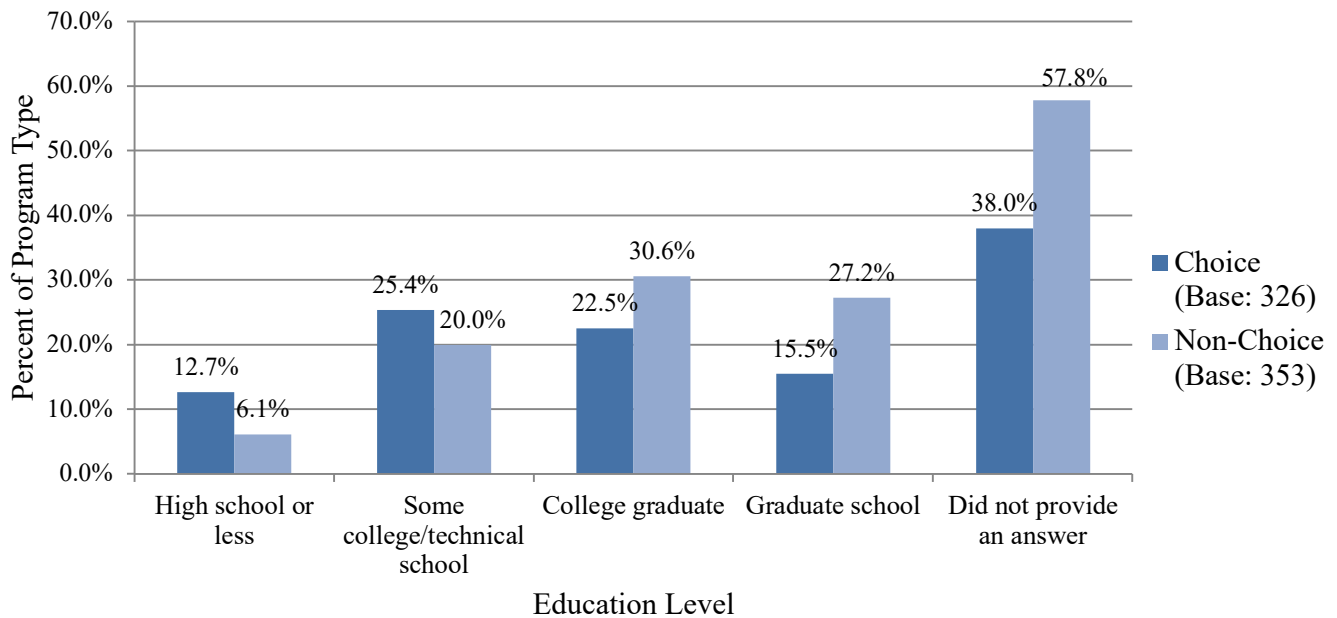
The customer list was used to stratify the sample to reflect the geography of Columbia Gas Choice and non-Choice customers. The tables below show the resulting geographical composition of the Choice and non-Choice respondents included in this study:

<i>Choice</i>	<b>Residential (Base: 71)</b>
<b>Fayette</b>	26.8%
<b>Bluegrass</b>	31.0%
<b>Eastern</b>	14.1%

<i>Non-Choice</i>	<b>Residential (Base: 180)</b>
<b>Fayette</b>	40.0%
<b>Bluegrass</b>	27.8%
<b>Eastern</b>	12.2%

*What was the last grade of school you had the opportunity to complete?*

Education by Program Type



**Profile of Residential Respondents, continued**

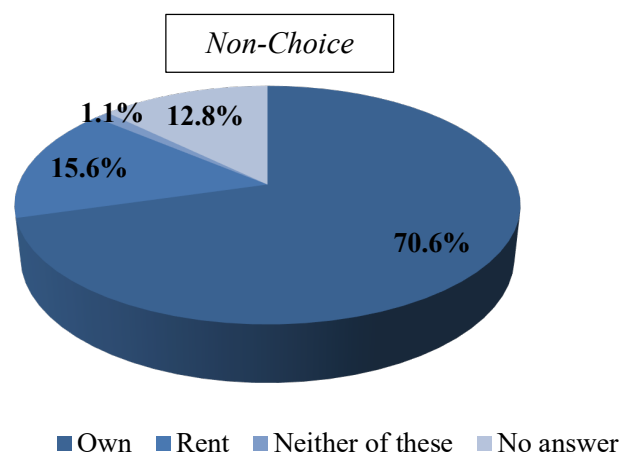
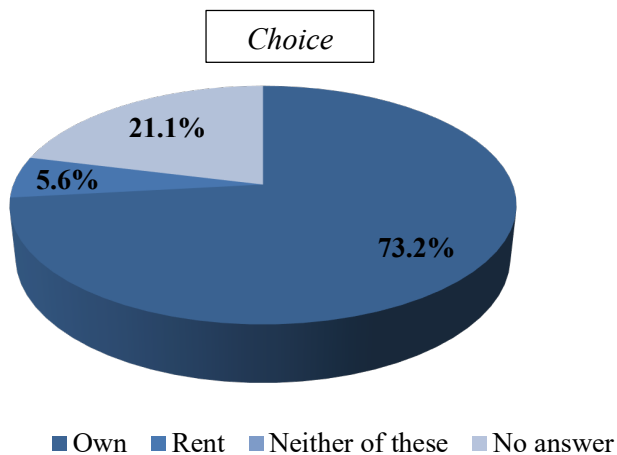
*Into which of the following age categories does your age fall?*

	<b>Total (Base: 293)</b>	<b>Choice (Base: 71)</b>	<b>Non-Choice (Base: 180)</b>	<b>Don't Know (Base: 42)</b>
<b>18-34</b>	3.1%		5.0%	
<b>35-44</b>	5.1%	1.4%	7.8%	
<b>45-54</b>	5.8%	1.4%	7.2%	7.1%
<b>55-64</b>	27.0%	23.9%	25.6%	38.1%
<b>65+</b>	40.6%	50.7%	38.9%	31.0%
<b>Prefer not to answer</b>	3.1%	1.4%	2.8%	7.1%
<b>No answer</b>	15.4%	21.1%	12.8%	16.7%

*Including yourself, how many people live in your household?*

	<b>Total (Base: 293)</b>	<b>Choice (Base: 71)</b>	<b>Non-Choice (Base: 180)</b>	<b>Don't Know (Base: 42)</b>
<b>One</b>	20.8%	21.1%	22.8%	11.9%
<b>Two</b>	42.3%	40.8%	41.7%	47.6%
<b>Three</b>	8.9%	7.0%	9.4%	9.5%
<b>Four</b>	3.8%	2.8%	3.9%	4.8%
<b>Five or more</b>	3.4%	2.8%	3.9%	2.4%
<b>Prefer not to answer</b>	5.5%	4.2%	5.6%	7.1%
<b>No answer</b>	15.4%	21.1%	12.8%	16.7%

*Do you own or rent your home?*



**Profile of Residential Respondents, continued**

*Gender*

	<b>Choice (Base: 71)</b>	<b>Non-Choice (Base: 180)</b>
<b>Male</b>	46%	41%
<b>Female</b>	31%	44%
<b>Prefer not to answer</b>	1%	3%
<b>No answer</b>	15%	13%

*Do you have access to the internet?*

<b>Program Participation</b>	<b>Internet Access</b>	<b>Total</b>
<b>Choice (Base: 71)</b>	<b>Yes</b>	78.9%
	<b>No</b>	
	<b>No answer</b>	21.1%
<b>Non-Choice (Base: 180)</b>	<b>Yes</b>	85.6%
	<b>No</b>	1.7%
	<b>No answer</b>	12.8%

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10. Refer to the CHOICE program survey responses.

a. Refer to page 1. Confirm that all of the information provided in the CHOICE program survey responses, including the respondents' profile and the summary of research, is based on how the respondents identified themselves as Choice or nonChoice customers. If this cannot be confirmed, explain.

b. Confirm that of the 165 residential CHOICE program participants surveyed, only 71 correctly identified themselves as CHOICE program participants. If this cannot be confirmed, explain.

c. Refer to page 2. Confirm that of the 13 commercial CHOICE program participants surveyed, zero correctly identified themselves as CHOICE program participants. If this cannot be confirmed, explain

**Response:**

a. Columbia confirms that the information labeled as current CHOICE or Non-CHOICE customers is based on how the respondents self-identified themselves.

- b. Columbia confirms that 71 respondents correctly identified themselves as CHOICE residential customers.
- c. Columbia confirms that none of the commercial customers correctly identified themselves as CHOICE customers.

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11. Refer to the CHOICE program survey responses, Summary of the Research section.

a. Refer to pages 8 and 10. Confirm that 67.6 percent of residential CHOICE program participants, who correctly identified themselves as CHOICE program participants, responded that they purportedly joined the CHOICE program to save money and responded that they are very to somewhat likely to end their participation if their monthly bills are not lower as a result of the CHOICE program. If confirmed, explain whether Columbia Kentucky understands these responses to indicate that residential customers believe the greatest benefit of participation in the CHOICE program is to achieve savings.

b. Refer to page 13. Confirm that the vast majority of Columbia Kentucky's residential customers are not aware of Columbia Kentucky's calculator tool or the Commission's resources for supplier rates. If this cannot be confirmed, explain.

**Response:**



- a. This request references two different survey questions and the responses to those questions. 67.6% of current CHOICE customers indicated they enrolled in CHOICE to save money. In a different question, a combined 67.6% (53.5% who responded very likely, and 14.1% who responded somewhat likely) indicated that they were likely to switch back to Columbia Gas if their monthly gas bills were not lower as a result of their participation in the CHOICE program. The 48 people who answered each of these two questions in the manner above are not necessarily the same people. Further analysis would be required to determine how respondents answered these two questions and how many answered the same to both questions.
- b. Columbia confirms that a majority of residential customers responded that they were not aware of the calculator tool on Columbia Gas' website and a majority were not aware that they could compare supplier gas costs on the Public Service Commission's website.

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12. Refer to the CHOICE program survey responses, pages 23–24. Several comments from customers seem to indicate a lack of understanding about the difference between a gas utility and a gas marketer. Explain whether Columbia Kentucky has additional information or insight into the apparent confusion that CHOICE program participation does not dissolve the customer's relationship with Columbia Kentucky.

**Response:**

Columbia does not possess additional insight into the confusion customers have about the relationship with Columbia Gas and the gas marketers participating in the CHOICE program. Further attitudinal research and message testing with customers could be beneficial to gain insight and obtain a greater understanding of comprehension levels.